

Bank Secrecy Act (BSA)



Money Services Businesses BSA/AML Exam Manual

- Summary of BSA compliance requirements to the MSB industry
- Overview of exam practices
- Guidance for IRS examiners



MSB Activities Covered

- Money orders and traveler's checks issuance, sale, and redemption
- Money transmission
- Check cashing
- Currency exchange or dealing



MSB Industry Impact

- IRS examiners using manual for field examinations
- State regulatory agencies using the manual
- MSB Exam Manual www.fincen.gov



Foreign Bank and Financial Accounts Reporting (FBAR)

- Filing requirements for U.S. persons
- Financial interest in or signature authority over account in a foreign country
- Aggregate value of these accounts exceeds \$10,000 at *any time* during the calendar year



TD F 90-22.1 for FBAR

Revised October 2008

- Expanded form into five parts
- Revised instructions
- Broadened definition of United States person to include all person's in and doing business in the U.S.



Filing Requirement Clarified for FBAR Forms

- IRS guidance: 2009 IR-2009-58 and Announcement 2009-51
- Affects only FBARs due on June 30, 2009
- Submit comments regarding the revised FBAR form and instructions by Aug. 31



FBAR and Voluntary Disclosure for Offshore Accounts

- Enables taxpayers who did not report the taxable income on the foreign account to voluntarily comply
- Not an option for taxpayers who paid on the taxable income, but failed to file FBARs



Voluntary Disclosure Practice Procedures

- CI determines eligibility
 - Not currently under examination
 - Available until September 23, 2009
- Tax liability resolved



Resources

- FBAR
 - FBARquestions@irs.gov
 - www.irs.gov
 - www.fincen.gov
- Voluntary disclosure practice
 - www.irs.gov
 - IRM 9.5.11.9
 - CI contact phone numbers
 - **Voluntary Disclosure Hotline: (215) 516-4777**

